

Multi Agency State Government Office Building (MASGOB) Q & A

Written by Department of Human Services
Tuesday, 06 October 2009 14:20



Why is Department of Human Services (DHS) getting a new administrative building?

During the 2007 Legislative Session, the Legislature decided to sell the DHS Administration Building to a third party. Prior to 2006, the current DHS Administrative building (120 North 200 West, Salt Lake City) was owned by the Division of Facilities Construction and Management (DFCM), not DHS. After the sale was announced, DFCM and the Legislature notified DHS that they would need to find replacement office space. It is the prerogative of DFCM and the Legislature to manage state property and building assets; DHS is a tenant of DFCM.

Who decided to construct a new building instead of using existing spaces?

DFCM considered several existing spaces and, after much research and consultation with the Legislature, decided to build a multi-agency building to accommodate the needs of both DHS and Department of Environmental Quality (DEQ). The new building request was not made by DHS.

How is it being funded?

MASGOB is not being funded by the DHS budget. DFCM submitted the plans, which included the building and furnishings, to the Legislature during the 2008 Legislative Session and it was approved as part of the state's capital development budget. Monies for the project were appropriated to DFCM by the Capital Facilities Government Operations Committee (Building and repair costs are part of the DFCM budget, not the individual Department budgets).

With current budget cuts and restraints, why didn't DHS postpone construction and reallocate the funds to client services? Why proceed now?

As mentioned above, the funding for buildings and repairs is not part of the DHS budget and decisions about construction projects are made by DFCM, not DHS. It is a smart business decision for both agencies and DHS will be able to occupy and pay for less space. DFCM took advantage of a relatively inexpensive cycle in the local construction markets and scheduled this

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contract so that savings could be maximized due to the economic downturn and cheaper availability of labor and materials. The building was designed to be energy efficient and save money. In addition, the contracts and dollar amounts were awarded and agreed upon in the 2008 Legislative session (March 2008), so they would not have been impacted by last year's cuts.

Lastly, the building was designed to accommodate multiple state agencies: DHS and DEQ.

What should I tell my clients or the public when they ask why we are building new facilities and buying new furniture while they are losing services?

Explaining the different budgets/departments is the best approach. The funding that paid for the new building was one-time funding; it did not come to DHS but flowed through DFCM. It was prioritized through the State Building Board and not the Human Services appropriations process. Building and repair funds are handled by DFCM, not DHS, thus, funding requests and allocations are made by DFCM.

Even though Human Services didn't fund the new building, couldn't they have made decisions about the design or furnishings that would have saved taxpayer money?

The design was scaled back from the initial proposal in order to save taxpayer money. For example, \$500,000 was saved by increasing the size of air conditioning and heating zones (fewer AV boxes). Part of design selection included cost, and the design/build team selected has worked hard to reduce costs. For example, concrete was used for the parking lot instead of asphalt because it was the less expensive option at the time. After programming for the building as complete, additional workstations were added within the existing square footage to accommodate a consolidation of staff required by budget cuts. The cost of the furnishings package was decreased by almost 30 percent. Also, by reducing the furnishings package, some new, more efficient copiers with print capability will be purchased, creating an ongoing savings to HS. The building exceeds the state's "High Performance Building" standards by 7-8 points, which will create ongoing savings. All furnishings not taken to the new building will be used by their DHS field offices or other government offices; nothing will be wasted.

How will the rent DHS pays for the new building compare to the rent DHS paid for the old building?

MASGOB – \$8.55 per square foot (This is the most recent estimate, analysis not yet complete)

Current – \$13.44 per square foot

Note: This includes all building costs, such as lease payments and operations & maintenance.

When will staff be moving into the new building and where is it located?

We anticipate the move beginning during the first week of November. The address is 195 North

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1950 West, Salt Lake City, Utah 84116.

Will the move disrupt services?

No. We have been working to plan a swift relocation to ensure the needs of the public and clients will continue to be met in a timely manner.